

My name is Tim Neumann and I am the Executive Director for Michigan Rural Water Association. Michigan Rural Water Association's membership consists of municipal water and wastewater systems and corporate members who service this industry. We currently have 563 water and wastewater system members of these members 503 have population bases of less than 15,000. The Michigan Rural Water Association provides training and technical assistance to Michigan's municipalities in the areas of water and wastewater operations, wellhead protection and source water protection. Our assistance is geared toward the operation and maintenance of the water and wastewater systems and to assist them in understanding the rules and regulations of said operation. In short, MRWA has a proven track record of providing the highest quality of training, technical assistance and information products and services necessary for promoting public health and environmental protection. The professional staff of MRWA is skilled in all areas of water and wastewater operations and management. The goals of Michigan Rural Water Association, through the Safe Drinking Water Program are to protect the public health by ensuring the provision of safe drinking water and compliance with federal and state rules, regulations, and standards.

We support the passage of the compact but we do have some issues regarding the water withdrawal package. The questions we have are regarding HB 5066, 5068, 5071. At issue with HB 5066 is making water use conservation guidelines mandatory for proposed new or increased withdrawals. We do support the use of conservation guidelines and Michigan section AWWA has some draft guidelines for the drinking water sector but making mandatory conservation measures as opposed to ensuring efficient use when not impacting the resource can limit drinking water systems ability to meet community needs and this even more evident for rural water systems due to their small economies of scale and lack of financial resources. Public water systems are

very active in working to protect and conserve their drinking water supplies and we work very actively with communities through are source water protection and wellhead protection programs to work with communities in protecting their water resource and also to educate the public about contaminants and conservation practices.

In HB 5068 this bill revises baseline capacity to the highest annual volume of water withdrawn in years 2003 – 2006 which requires any increase over 100,000 gpd above historical use would require a permit even though the public water system has a permit under PA 399 for a higher capacity. This bill changes what had been agreed to in the workgroups for the previous withdrawal legislation that baseline capacity would be based on the public water supplies permitted capacity under PA 399. The change of this definition which was agreed upon by all groups involved in previous legislation could lead to issues for Public Water Systems adequately recovering capital expenditures made for existing infrastructure that had been planned for increasing demands and that is wrong to require public water systems to do this when they already go through extensive hydrogeological investigations and other analyses when proposing a new well or intake.

In HB 5071 there is a \$2,500 application and with mandatory conservation guidelines can place a financial burden on public water systems, especially rural systems who have limited financial resources, who are trying to secure approval for increased withdrawals to meet public health, fire protection and economic activity. Public water systems already pay significant fees to support DEQ's drinking water programs and these are in addition to the costs they incur to make sure they stay in compliance with the new regulations EPA continues to implement and some of these past regulations the arsenic rule, consumer confidence reports, microbial disinfection by products rule, public notification rules, unregulated contaminant monitoring to name a few. While these regulations are good public water systems do incur costs in

implementing them because when EPA issues these regulations they do not provide funding to help comply they just have to comply and there are new rules that are being promulgated now that communities will have to comply with in the future, so it is important to not continue to pass along more costs to public water supplies.

Also we believe that the groundwater advisory council should not be repealed since they have provided significant expert opinion and guidance on water issues for our state and their expertise would be very important for the wide ranging water withdrawal legislative package. Thank you.